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HOUSE BILL 1929

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State of Washington                      59th Legislature                      2005 Regular Session

By Representatives Kirby, Morrell, Campbell and Lantz

Read first time 02/10/2005.      Referred to Committee on Financial Institutions & Insurance.

1            AN ACT Relating to medical malpractice rates; and adding new  
2 sections to chapter 48.19 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            NEW SECTION.    **Sec. 1.** A new section is added to chapter 48.19 RCW  
5 to read as follows:

6            (1) The insurance commissioner shall notify the public of any rate  
7 filing by an insurer for a rate change affecting medical malpractice  
8 that is less than fifteen percent of the then applicable rate. The  
9 filing is approved forty-five days after public notice unless:

10            (a) A consumer or his or her representative requests a hearing  
11 within thirty days of public notice and the commissioner grants the  
12 hearing;

13            (b) The commissioner on his or her own motion determines to hold a  
14 hearing; or

15            (c) The commissioner disapproves the filing.

16            (2) If the rate filing increase is fifteen percent or greater, the  
17 commissioner shall order a public hearing. Any person shall have the  
18 right to intervene and participate as a party or have the right to  
19 comment at the public hearing.

1 (3) If rate hearings are commenced under subsection (1) or (2) of  
2 this section, the applicant may not use the rates until the  
3 commissioner approves the filing, either as originally submitted or as  
4 amended, after the public hearing and consistent with the requirements  
5 of this section.

6 (4) If a judicial proceeding directly involving the rate filing and  
7 initiated by the insurer or an intervener begins, the commissioner has  
8 thirty days after conclusion of the judicial proceedings to approve or  
9 disapprove the rate filing. The commissioner may disapprove an  
10 application without a hearing if a stay is in effect barring the  
11 commissioner from holding a hearing.

12 (5) Upon a final determination of a disapproval or amendment of a  
13 rate filing under this section, the insurer must issue an endorsement  
14 changing the rate to comply with the commissioner's disapproval. The  
15 endorsement is effective on the date the rate is no longer effective.

16 (6) The public notice required under subsections (1) and (2) of  
17 this section must be made via distribution to the news media, posting  
18 on the web site maintained by the commissioner, and by mail to any  
19 member of the public who requests placement on a mailing list  
20 maintained by the commissioner for this purpose.

21 (7) All medical malpractice insurance rate filings and related  
22 material submitted to the commissioner by the insurer under this  
23 section are available for public inspection pursuant to the public  
24 disclosure act, chapter 42.17 RCW.

25 (8) Hearings and other administrative proceedings arising under  
26 this section must be conducted under chapter 34.05 RCW.

27 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.19 RCW  
28 to read as follows:

29 (1) With respect to administrative or legal proceedings authorized  
30 by or arising under section 1 of this act, any person may:

31 (a) Initiate or intervene as a party, or comment in writing or in  
32 person at any public hearing on the proceedings; or

33 (b) Challenge any action of the insurance commissioner.

34 (2) The commissioner or a court shall award reasonable advocacy and  
35 witness fees and expenses to any person who demonstrates that:

36 (a) The person represents the interests of consumers; and

1           (b) The person made a substantial contribution to the adoption of  
2 any order, rule, or decision by the commissioner or a court.

3           (3) When an award of fees or expenses under this section occurs in  
4 a proceeding related to a rate application, the award must be paid by  
5 the applicant.

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